

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 1181-01  
BILL NO.: HB 554  
SUBJECT: Appropriations: State Departments  
TYPE: Original  
DATE: February 16, 2001

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**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

## FISCAL ANALYSIS

### ASSUMPTION

Officials of the **Office of Administration - Division of Accounting** indicated that the proposal would not have any direct administrative or fiscal impact on their agency because when agencies request payment from dedicated or earmarked funds, they are certifying that the expenditure is for the purpose for which such funds were intended. The **State Auditor** post audits expenditures from earmarked/dedicated funds. If that post audit revealed inappropriate use, the audit report would cause **Budget and Planning** to reduce subsequent year appropriations.

Officials of the following agencies/offices/commissions stated their agencies would not be impacted fiscally by this bill: **Department of Agriculture, Department of Conservation, Department of Corrections, Department of Elementary and Secondary Education, Department of Higher Education, Department of Transportation, Department of Insurance, Department of Mental Health, Department of Natural Resources, Department of Public Safety (DPS) - Division of Liquor Control, DPS - National Guard, DPS - Veterans' Commission, Department of Revenue, Department of Social Services, State Tax Commission, Department of Health, Department of Economic Development, Department of Labor and Industrial Relations, Gaming Commission, Office of Administration - Division of Budget and Planning and the Lottery Commission.**

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0

### FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

### DESCRIPTION

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This proposal prohibits state departments from spending dedicated or earmarked funds for purposes other than the purposes specified in the appropriations and prohibits state departments from commingling dedicated or earmarked funds with other funds.

Any department which violated the provisions of this proposal would have its administrative appropriations reduced in the next fiscal year by an amount equal to the amount misused.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. This proposal would not affect Total State Revenue.

#### SOURCES OF INFORMATION

Department of Agriculture  
Department of Conservation  
Department of Corrections  
Department of Economic Development  
Department of Elementary and Secondary Education  
Department of Health  
Department of Higher Education  
Department of Insurance  
Department of Labor and Industrial Relations  
Department of Mental Health  
Department of Natural Resources  
Department of Public Safety  
Liquor Control  
National Guard  
Veterans' Commission  
Department of Revenue  
Department of Social Services  
Department of Transportation  
Gaming Commission  
Lottery Commission  
Office of Administration - Division of Accounting

#### SOURCES OF INFORMATION (continued)

Office of Administration - Division of Budget and Planning

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State Tax Commission

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large initial "J" and a cursive "e" at the end.

Jeanne Jarrett, CPA  
Director  
February 16, 2001